

Rate Methodologies by Program for FY 2008

Motor Pool - fund 6090

Service Description - This fund operates the State's central motor pool and provides vehicle leasing on a monthly and daily basis. It is responsible for purchasing and maintaining vehicles in the central fleet. This fund also maintains the maintenance histories of vehicles not in the central fleet, but owned by other agencies; and manages the fleet MIS function.

Rate Methodology - The rates include a mileage rate and a lease rate. The mileage rate is used to recover the variable operating costs of the State's fleet. It is calculated by distributing the operating costs for a standard class of vehicles over the total miles associated with that class. The lease rate is used to recover the fixed vehicle costs. It is calculated by distributing the average approved purchase prices of all vehicles within a standard class (currently based on 2004 model-year pricing), less estimated salvage value, over the useful life of the vehicle.

Federal Surplus Property - fund 6100

Service Description - The Federal Surplus program provides federal property to local cities, towns, counties, state agencies, and non-profit organizations.

Rate Methodology - This program's costs are predominantly indirect. An example of a direct cost would be freight and handling for overseas and out-of-state property. These costs are recovered through a service and handling charge that generally does not exceed 20% of the federal acquisition cost.

State Surplus Property - fund 6110

Service Description - The State Surplus program disposes of state-owned property (either purchased or seized). Disposal is accomplished through donation, retail sales, sealed bids, auctions, and trade-ins; whichever is in the State's best interest.

Rate Methodology - Surplus property costs are predominantly indirect. These costs are recovered by retaining all sales proceeds, then rebating any retained earnings realized. Program costs include handling, storage, sales, and accounting costs.

Fuel Dispensing - fund 6120

Service Description - This fund provides central fuel dispensing and purchasing services to state and non-state agencies, and manages the state's fuel mitigation program.

Rate Methodology - The rates are based on the cost of fuel and include a per-gallon fee and a transaction fee. The pump pricing is used to recover the variable costs of gas. The per-gallon fee and transaction fee are used to recover the fixed costs of the network.

Fleet Operations Administration - fund 6130

Service Description - Fleet Administration is responsible for directing all programs of the division. It manages the administration, accounting, and payroll functions of the division.

Rate Methodology - Costs are allocated to the other Fleet Operations funds based on the fixed costs of each program. Fixed costs are payroll, rent, etc. The cost of goods or services sold for each program is excluded from the calculation.